

**IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF MARYLAND**

**FIDELITY AND GUARANTY LIFE
INSURANCE COMPANY,**

Plaintiff,

vs.

TERRY W. HEPLER, *et al.*,

Defendants.

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Civil No. AMD 00-2549

MOTION TO REOPEN CASE AND REMOVE STAY

COME NOW the Defendants/ Cross-claimants, Peachtree Finance Company LLC ("Peachtree Finance") and Settlement Funding LLC d/b/a Peachtree Settlement Funding ("Settlement Funding") (herein collectively referred to as "Peachtree"), by and through the undersigned counsel, Elyse L. Strickland and Selzer Gurvitch Rabin & Obecný, Chartered and move this Court to reopen the above matter, remove the stay, and issue a new Scheduling Order, and for cause, states as follows:

1. That this is an Interpleader action involving a dispute over certain Structured Settlement Payments due under an Annuity Policy owned by United States Fidelity and Guaranty Company and issued by Fidelity and Guaranty Life Insurance Company. Defendant Terry W. Hepler is the annuitant.

2. That Peachtree, as well as other Defendants in this matter, claim an interest in the Structured Settlement Payments.

3. That as more fully described in Peachtree's Cross-claim filed in this matter, Hepler, and WebBank, a Utah Industrial Loan Corporation, entered into a Loan Agreement, pursuant to which WebBank made a loan to Hepler and his Wife, Kimberly Hepler

(hereinafter referred to as "Borrowers"), to be evidenced by a Secured Promissory Note and secured by the Structured Settlement Payments, listed in the Security Agreement (hereinafter, the "Collateral"). In accordance with the Loan Agreement, Borrowers executed a Security Agreement, pursuant to which, the Heplers granted WebBank a security interest in the Collateral described therein, including, but not limited to, the Borrowers' rights to cash payments due to them, including the Structured Settlement Payments. Borrowers also executed a UCC-1 Financing Statement in connection with the Loan Agreement and Security Agreement. The UCC-1 Financing Statement has been properly filed, thereby perfecting the security interest in the Collateral.

4. That simultaneously with or subsequent to the closing of the Loan, Settlement Funding purchased the Loan and all rights attendant thereto from WebBank. Peachtree Finance then purchased the same from Settlement Funding, such that Peachtree is now the owner and holder of the Loan and all documents and Collateral relating thereto.

5. That Peachtree Finance has contracted with Settlement Funding to service the Loan and to act as its agent, including, but not limited to bringing all legal action on its behalf and in its own name.

6. That on or about November 19, 2002, Hepler filed a Petition under Chapter 7 of the United States Bankruptcy Code, in the United States Bankruptcy Court for the Eastern District of Michigan.

7. That as a result of Hepler's Bankruptcy filing, this Court entered an Order on August 26, 2003 staying this case pending the resolution of the Bankruptcy matter, and closing the case administratively pending further court order at the request of any party in interest.

8. That on September 26, 2003, the Bankruptcy Court issued its Final Decree, closing the Bankruptcy matter.

9. That the instant matter should be reopened at this time so that any remaining claim to the Structured Settlement Payments can be resolved. Upon information and belief, the Plaintiff/Annuity Issuer continues to make payment of the Structured Settlement Payments into the Court Registry and no funds have been disbursed.

WHEREFORE, the Defendants/Cross-claimants, Peachtree Finance Company LLC and Settlement Funding LLC d/b/a Peachtree Settlement Funding respectfully request that this Court reopen this matter, remove the stay, enter a new Scheduling Order, and grant Peachtree such other and further relief as this Court may deem just and proper.

Respectfully submitted,

/S/

Elyse L. Strickland, Esquire
Selzer Gurvitch Rabin & Obecny, Chartered
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CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on the 5th day of March, 2004, a true and correct copy of the foregoing Motion was served, by first-class mail, postage prepaid, upon: Terry W. Hepler, 2157 Steiner, Comins, Michigan 48619 and 3532 Fishermans Drive, Luzerne, Michigan 48636; Defendant Jack Weber, 1264 Heathercrest, Flint, Michigan 48532, and Defendant Betty Weber, 1264 Heathercrest, Flint, Michigan 48532.

/S/

Elyse L. Strickland